

TENNESSEE REGULATORY AUTHORITY

Pat Miller, Chairman
Deborah Taylor Tate, Director
Sara Kyle, Director
Ron Jones, Director



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

March 11, 2005

The Helein Law Group, LLLP
Attention Jonathan S. Marashlian
8180 Greensboro Drive, Suite 700
McLean, Virginia 22102

RE: UCN, Inc. Application for a Certificate to Provide Competing Local Telecommunications Services in Tennessee. Docket Number 05-00050.

Dear Mr. Marashlian:

CLEC applicants are required, by statute, to demonstrate their managerial, financial and technical abilities to provide the services for which they seek authority. To assist the Authority in its review of UCN Inc.'s application for a Certificate of Convenience and Necessity to provide competing facilities-based and resold local service in Tennessee, you are requested to provide the following information:

1. Please provide a signed certificate of service indicating that each Incumbent Local Exchange Provider in your Exhibit I has been served with notice of your petition.
2. Please provide 2004 interim financial statements, including income statements, balance sheets and statement of cash flows. The statements provided with the petition were only through year end 2003.
3. Please provide a list of the states in which UCN, Inc. is certificated to do business.
4. Please provide a list of consumer complaints, with any state or federal agency, for the year 2004, including how the complaint was resolved. The pre-filed testimony of Paul Jarman, CEO of UCN, Inc., indicated problems during the years between 2000 and 2002 in the states of Arkansas, North Carolina, Nebraska, as well as the settlement agreement in Tennessee. Have there been any further complaints in those states since the issues have been resolved? If so, what types of complaints have been filed?
5. In his pre-filed testimony, Paul Jarman, CEO of UCN, Inc., attributed the aforementioned regulatory problems in various states to the fact that Buyers United was a small business with fewer than 25 employees, and that the company's initial regulatory filings were contracted out to consulting firms, which

resulted in confusion regarding responsibilities in that area. This confusion resulted in the company's regulatory status falling into arrears in some states. What steps has UCN now taken to ensure that all regulatory matters will be dealt with timely?

6. Were the previously mentioned regulatory problems exclusively related to lapses in regulatory filings, or were consumer complaints against Buyers United (UCN) regarding billing, slamming, etc. involved in any of these issues? If so, what types of consumer complaints were involved?
7. In the financial statements provided by UCN, Inc., a Line of Credit from RFC Capital Corporation in the amount of \$5 million is stated as a source of funding. However, according to the same statement, as of December 31, 2003, the Company had financed the maximum amount available based on eligible accounts receivable (the source of collateral) at that time. Please provide documentation of the status of the Line of Credit as of year end 2004.

Please provide the above information by March 31, 2005. In accordance with TRA Rules, please submit either (1) thirteen written copies of your response or (2) four written copies and an electronic version. If you have questions concerning this request or need additional information, please contact Lisa Foust at 615-741-2904 extension 220.

Sincerely,

D. M. Foust For Darlene Standley

Darlene Standley
Utilities Division Chief

cc: Docket File
Kimm Patridge, Corporate Secretary
14870 South Pony Express Road
Bluffdale, Utah 84065